

## NEW YORK HERALD

BROADWAY AND ANN STREET.

JAMES GORDON BENNETT,  
PROPRIETOR.

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Volume XXXV.—No. 340

### AMUSEMENTS THIS EVENING.

WALLACK'S THEATRE, Broadway and 12th street.—  
THE SCHOOL FOR SCANDAL.

NIBLO'S GARDEN, Broadway.—THE COMEDY OF AS  
YOU LIKE IT.

LINA EDWIN'S THEATRE, 729 Broadway.—LITTLE  
JACK SHEPPARD.

NEW YORK STADT THEATRE, 45 Bowry.—GRAND  
GERMAN OPERA.—WILHELMINE.

GRAND OPERA HOUSE, corner of 8th st. and 22d st.—  
LES BRIGANDS.

OLYMPIA THEATRE, Broadway.—THE PANTOMIME OF  
WILLIAM WILKIE.

WOODS' MUSEUM, Broadway, corner 30th st.—Perform  
every evening, 7.30 o'clock.

GLOUCE THEATRE, 726 Broadway.—VARIETY ENTERTAIN-  
MENT, 8.30.

FIFTH AVENUE THEATRE, Twenty-fourth st.—HILL  
AT LAW.

BOWERY THEATRE, Bowry.—NEED AND NEED—YAN-  
KEE JACK.

ROOTH'S THEATRE, 251 st. between 5th and 6th ays.—  
HIP VAN WINKLE.

MRS. F. B. CONWAY'S FAIR THEATRE, Brooklyn.—  
SAM.

TONY PASTORI'S OPERA HOUSE, 231 Bowry.—VA-  
RIETY ENTERTAINMENT.

THEATRE COMIQUE, 314 Broadway.—Comio Vocal-  
ism, 8 o'clock.

KELLY & LEON'S MINSTRELS, 103 Broadway.—  
THE ONLY LION—LA ROSA DE ST. FLORIS, 8.

SAN FRANCISCO MINSTREL HALL, 25 Bow way.—  
NORNO MINSTRELS, PARSONS, BUCKINGHAM, 8.

DEYAN'S NEW OPERA HOUSE, 251 st. between 5th  
and 6th ays.—NORNO MINSTRELS, BUCKINGHAM, 8.

APOLLO HALL, corner 29th street and Broadway.—  
DR. COLEY'S DIAGRAM OF IRELAND.

HOOVER'S OPERA HOUSE, Brooklyn.—NORNO MIN-  
STRELS, BUCKINGHAM, 8.

BROOKLYN OPERA HOUSE.—WELCH, HUGHES &  
WHIT'S MINSTRELS.—KEEP YOUR EYE OPEN, DICK, 8.

NEW YORK CIRCUS, Fourteenth street.—SCENES IN  
THE RING, 8 o'clock.

DR. KAHN'S ANATOMICAL MUSEUM, 74 Broadway.—  
SCIENCE AND ART.

NEW YORK MUSEUM OF ANATOMY, 618 Broadway.—  
SCIENCE AND ART.

## TRIPLE SHEET.

New York, Tuesday, December 6, 1870.

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THE CASE OF DR. EVANS still vexes the public ear. The more the mystery of his Chatham street den is stirred up the fouler it appears.

MAYOR KALDFLEISCH is looking out, like a very watchdog of the Treasury, for the money interests of Brooklyn. He vetoes nearly everything in the Common Council that has a suspicion of useless appropriation about it.

IT IS STATED that the Hudson River Railroad Company has increased its passenger fare twenty-five per cent, in view of the early closing of navigation on the Hudson. This is too strong an instance of a soulless corporation's tyranny. Passengers ought to have some rights that railroads are bound to respect.

GENERAL MANTOUFFLE's occupation of Rouen, of which we have the bare announcement, will take all persons by surprise. The city is not only strongly fortified, but contained a sufficiently large force of National Guards to have successfully defended it. In a military point of view its occupation cannot affect the general situation; but that it should have fallen without a struggle for its possession is what must be regarded as strange.

### The President's Message—A Good State Paper and a Staunch Party Platform.

General Grant is a plain, unpretending, honest, matter-of-fact sort of a man, thoroughly American in manner, character, thought and purpose, and a firm believer in our popular institutions of liberty and equality, as now reflected from our national constitution, and such is the character of his annual Message to Congress, which we lay before our readers this morning. As an exhibit of the management under his supervision of the government, in our foreign and domestic affairs, there is much in this Message that is good and encouraging, and as a foreshadowing of the general policy of his administration there is nothing in it calculated to disturb the general confidence of the country. Let us briefly examine it.

Opening with a recognition of the blessings of a Divine Providence, as devout as the gratitude of old King William's despatches, the Message immediately follows with a regret "that a free exercise of the elective franchise has by violence and intimidation been denied to citizens in exceptional cases in several of the States lately in rebellion, and the verdict of the people has thereby been reversed." This is a serious charge. The States referred to, we suppose, are North Carolina, Alabama and Texas, and the "violence and intimidation" mentioned are levelled at the Ku Klux Klan. We know there was during the summer a terrible uproar in North Carolina between Governor Holden and the mysterious Ku Klux desperadoes; but we thought that business a tempest in a teapot and that it had been settled in a compromise. We had heard of scenes of "violence and intimidation" against the poor bewildered blacks in Alabama and Texas, but had never supposed they were so bad as to call for a special notice in the President's Message. The hint will probably be followed by some further measures of Southern reconstruction, though General Grant hopes the work will be completed with the restoration of Georgia, and we hope so too.

The course of the administration in reference to the war in France and the French republic, and in regard to the application from the provisional French government for the friendly intervention of the United States in behalf of peace, as detailed by the President, is in some respects very gratifying, and in all respects, perhaps, satisfactory. We are, however, inclined to think that the time is near, if not already upon us, when this antediluvian policy of a Chinese isolation from European affairs will have to be abandoned by this great overshadowing and expanding republic of the West. So in regard to Cuba we are sorry to hear that in the State Department "it is not understood that the condition of the insurrection has materially changed since the close of the last session of Congress." Still it is pleasant to know that a course of prosperous negotiations is on foot which promises the maintenance of our friendly relations with Spain; and pleasant to know that "the long-deferred peace conference between Spain and the allied South American republics has been inaugurated at Washington under the auspices of the United States;" and we are particularly pleased that, in the opinion of General Grant, "as the time is not probably far distant when, in the natural course of events, the European political connections with this Continent will cease, our policy should be shaped in view of this probability," so as to meet the grand American ideas on this subject (the Monroe doctrine) of Monroe, Adams and Clay.

Here, then, we have the key to "General Grant's St. Domingo annexation treaty, rejected by the Senate at the last session, but in regard to which time has only confirmed the President in his views. He is satisfied, too, that if we abandon this project some European nation will step in and take our place. The argument of the Message for the acquisition of this splendid island of St. Domingo (beginning with the Dominican section) is very strong; and in view of the importance of the question a joint resolution is recommended looking to the ultimatum of annexation as in the case of Texas, the identical policy suggested in our editorial columns last summer. Doubtless, on the Texas plan this Dominican scheme will succeed, for we quite agree with General Grant that "the project has only to be investigated to be approved."

There appears next a little difficulty with Mexico, which, with proper nursing, may bring forth good fruit. The President says that "the injurious effects upon the revenue of the United States from the policy of the Mexican government in exempting from import duties a large tract of its territory on our borders" (the free zone), are not only continued in spite of our representations, but that it is even proposed to enlarge this free zone and correspondingly the facilities to frontier smuggling. The earnest attention of Congress is called to this matter, and we would submit that perhaps the shortest method of disposing of this "free zone" would be to extend "the flag" over it from sea to sea and down, say to Yucatan.

Nothing has been done, and nothing appears to be doing on those Alabama claims. The Message, however, asks Congress to authorize a commission to make out the bill of actual cash damages for our ships plundered and destroyed by Anglo-rebel cruisers, to be held over the head of John Bull. In reopening negotiations upon the subject the administration is disposed to await the convenience of England, and in hope of "a conclusion consistent with the honor and dignity of both nations." Secondly, "the course pursued by Canadian authorities toward the fishermen of the United States during the past season has not been marked by a friendly feeling," and the Message enters very fully and earnestly into the championship of our fishermen's rights. Thirdly, in our British relations, "a like unfriendly disposition has been manifested on the part of Canada in the maintenance of the claim of the right to exclude the citizens of the United States from the navigation of the St. Lawrence." This becomes a weighty matter when it is considered that this great river is "the natural outlet to the ocean for eight States, with a population of about 17,600,000 inhabitants," and with a tonnage upon the tributary great lakes of 661,867 tons. The President discusses this great question with remarkable force and in a tone which is very suggestive. He hopes that England will not support the unfriendly assumptions of the New Dominion in relation to its fisheries on

the St. Lawrence; for it is evident that there is to be no more trifling with the rights of our citizens on that river or in regard to those fisheries. Our people "down East" and Northwest will join hands upon this branch of the Message. The grand American outlet of the St. Lawrence is fast assuming the importance of the outlets of the Mississippi under Jefferson, and it must eventually come to the same solution. The Message will open the general agitation of this solution.

The subsidies recommended for the encouragement of American iron steamship lines will find a host of supporters. The routine business of the executive departments and the workings of the Treasury are discussed in others of our editorials; but upon the new party cry of "revenue reform" General Grant comes so refreshingly to the point and the purpose that he cannot fail to challenge the special attention of all parties. His Message, in fact, is a declaration of war against these so-called "revenue reformers." He gives to the New York Evening Post, the Chicago Tribune, Carl Schurz and Gratz Brown and their republican followers the choice between the democratic party and a third party, inasmuch as their peculiar "revenue reform" notions are not the notions of Grant's administration. He moves here upon the "enemy's works," and the movement looks like the advance upon Fort Donelson. It brings the issue into close quarters and knocks these new-fangled catchwords and claptrap of "revenue reform" into a cocked hat. So broad, practical and liberal, too, is the system of revenue reform suggested by the President that only the extremists at both ends can reasonably object to it.

The Message gives a hopeful view of the new humanitarian policy adopted towards the Indians, and submits that in its appropriations of the public domain to railway corporations Congress has been driving the engine too fast, and should slacken steam and apply the brakes; and so say the people. The liberal system in force of land grants to pioneer settlers, and for educational purposes, works admirably in the development of new States and Territories, and ought to be continued. The census, we are assured, will furnish in all the departments of industry a flattering exhibit of the country's prosperity in spite of the desolations of our late war. Finally, the Message sums up the policy of the administration to be the enforcement of the laws, economy, retrenchment, the payment of the national debt, a wise reduction of taxes, honest and fair dealings with all other people, reform in our treatment of the Indians and in our whole civil service; an honest ballot and no repeating, and no violence or proscription on account of party, nativity or color.

Such is the annual Message of General Grant. It is a good State paper and a staunch party platform. Our only fears are that General Grant is too old in the honesty of the soldier, too new in the ways of the politician, too much disposed to rest from his great labors of the war and too amiable by half to carry out his party programme after the trenchant fashion of Old Hickory. But Queen Victoria gets on very well, though she hardly troubles herself with State affairs. She leaves them to her Cabinet, and her Cabinet to the Parliament; so General Grant, in leaving his general policy to his Cabinet, and his Cabinet to the supervision of his party in Congress, may prosper and enjoy himself at the same time. He knew where to look for a good general better than he knows where to look for a good secretary, and here he may wisely rely upon older professional experience than his own. To be a good politician, statesman or schemer, you must learn the trade. But this Message indicates the turning over of a new leaf by General Grant as the head of his party, that he has been learning the trade, and it may be that he will yet astonish his limping supporters on his strategy and tactics, action and activity as master of the political field. We think he has fairly knocked away the underpinning of the "revenue reformers."

### The War Situation—The End Approaching.

The old story of political interference, that so wearied the patience of peace-loving patriots during the rebellion in the South and so vexed the spirit of McClellan's army, is repeated in France. Gambetta at Tours undertakes to direct the movements of De Paladines in front, and the result is disaster. Orleans is evacuated, the left wing of that brave army that marched to the relief of Paris is thrown back upon itself and takes refuge in Blois. The fight is said to have been a severe one, and it must have been, or the Army of the Loire, urged to desperate resistance by the scared politicians at Tours, would never have fallen back half the distance between Orleans and the temporary capital, thus permitting the enemy, as it were, to advance so much nearer the spot that the presence of the French politicians makes sacred. The defeat is disastrous, for it overturns all the hopes of relief raised in Paris by the temporary success of De Paladines' army. The brilliant sorties made by Duret were worthy supports of the valiant advance made by De Paladines, and showed plainly enough that the two were in accord and in communication. Now that De Paladines has failed it is not likely that any sorties, however desperate, can be successful. Indeed, it appears from the despatches this morning that the positions gained by those sorties are already slipping from the grasp of the Frenchmen. The Prussians are fighting desperately, and with their usual success, to drive the beleaguered enemy back into his narrow compass again. The end approaches. The disaster of De Paladines may bring the heart even of the never-despondent Gambetta to despair, and the nation that has hoped so long against hope and fought so long against unconquerable foes may soon consent to peace.

THE PITTSBURGH Dispatch states that General Schenck is of the opinion that the whiskey dealers will fail in the effort to have the tax increased. This, remarks the same paper, is one of the remarkable instances where the lawlessness of tax is death to the dealers. The whiskey dealers are breaking from lack of taxation. The inference is that there will consequently be so many the less number of heads broken among those who indulge in "tangle-foot," and consequently a loosened criminal

### Earl Granville's Reply to Prince Gortchakoff's Last Note.

The reply of the British Secretary for Foreign Affairs to Prince Gortchakoff's last note on the Eastern or Black Sea question has been anxiously looked for, because upon the tenor of that, it was expected, would hang the prospect of peace or war. The text of this important document has been forwarded to us by special telegram, and is published to-day in another part of the paper. The answer of Lord Granville is clear and concise, and devoid of that circumlocution characteristic of diplomatic language generally. It has the stamp of statesmanship, and shows that Lord Granville may be classed with the school of great modern statesmen to which Cavour belonged and Bismarck and Von Bismarck belong.

The main point of this answer to the Russian note is that the British government accepts the invitation which was made to Russia by other Powers for the assembling of a conference, but with the understanding that this conference shall be convoked without the expression of any foregone conclusions as to the result of its labors. In such case the British Secretary says her Majesty's government will be glad to consider with perfect fairness and with complete respect any proposals which a great friendly Power like Russia may make. Earl Granville takes care to say, however, that he does not admit the assumption of Prince Gortchakoff, that the Treaty of Paris of 1856 had been violated, or that there was any ground for assuming it would be, by Austria possessing the Danubian Principalities. To all appearances, then, there is a prospect of a European conference, with some hope that the present difficulty relative to the Eastern question may be bridged over. Still, the question is not decided. Russia may at the eleventh hour, if she desires war or thinks she can gain by war, refuse to accept a conference without an understanding that her claim will be admitted. There is a possibility, too, that the Powers in a conference might not agree. Great Britain is not committed to yield to the demand of Russia, nor is Russia to accept conditions that may be offered. But the action of both just now seems to favor peace. The proposed conference may lead also to a congress of the European Powers, when other questions than that of the East may be settled. May we not hope such an assemblage would do something to end the frightful and destructive war in France and to curb the overbearing ambition of Prussia? The great neutral Powers have only to say in the language of General Grant, "Let us have peace," and the war between France and Prussia will be closed.

### The Herald—Italy, Rome and the Pope.

If the London Saturday Reviewers have any further desire to note and comment upon the enterprise of the NEW YORK HERALD they will have no reason to complain of the want of a fresh opportunity. We have not yet found it convenient to interview the British Premier; but there is no necessity for haste. A convenient season will arrive. Count Bismarck, Baron Beust, the Emperor Napoleon, have all been proud of the opportunity of speaking to the world through our columns. In prospect of the assembling of both houses of Parliament, and in view of the resurrection of the Alabama claims question, Mr. Gladstone may find it convenient to make use of our interviewer, and so through our columns speak to the American people. Two days ago we told the Saturday Reviewers to look out for surprises. What will the Reviewers say when they receive the HERALD of Monday, December 5, and find the protest of Archbishop Manning, of Westminster—a protest read in the Catholic churches of London the day previous—in full and side by side with the protests of New York, Philadelphia and other centres? In this case, at least, it will not be possible for them—as it has not been possible for friends nearer home—to cast suspicion on the genuineness of the report. Of this, however, enough.

What shall we say of the protests against the spoliation of the temporal domains of the Pope? If we are to judge from what took place yesterday in London, in New York, in Philadelphia, another crusade is not an impossibility. Another Paynim host has polluted another holy place. This time it is Rome, not Jerusalem, which is in danger. If the Catholics of Europe and America follow the advice of the spiritual teachers the latest crusade will be the most wonderful and romantic of them all. Seriously, however, it is not our opinion that the threatened war in favor of the Holy Father and his temporalities will be other than a war of words. It will be another grand Protestant movement; but we have no idea that it will result in another schism. With Cardinal Manning's protest we confess ourselves not a little surprised. Hitherto we had had a high opinion of his intelligence and culture. But in reading this document we seem to be reading some musty brief of the Middle Ages. We discover no evidence that Cardinal Manning has learned anything which was not known in the days of greatest darkness and wildest intolerance. It is undeniable—the Archbishop cannot deny it—that the Roman people have cast their votes in favor of Victor Emmanuel and incorporation with Italy. If the Archbishop is right all revolution is wrong. In so many words he denies that people have a right to rise against their rulers or determine by whom and after what fashion they will be ruled. With the exception of Father Farrell—an honorable and praiseworthy exception—the New York and Philadelphia protests and speeches were all in the same vein. It is a wonderful thing to find such sentiments endorsed in free America. It is fortunate that the enthusiasm of European laymen does not rise so high. Spain and Austria have generally been considered the most Catholic countries in the world; but in this matter Austria is indifferent, and, as shown by the election of Aosta as King, Spain is contemptuous. The Catholic Church, including Dr. Manning and Pius the Ninth, must bow to facts and yield to the force of events. The temporal power is doomed, and no wild, despairing cry can save or restore it.

It ought not to be forgotten that the Italian government does not seek to banish the Holy Father from Rome, or in any way hinder him in the discharge of his high and holy duties. It has made him large and liberal offers. The Vatican Palace is to remain to him, and for

the discharge of his heavenly ministrations every facility will be given him. As it is vain to kick against the pricks we advise all good Catholics to advise the Holy Father to make peace with the government of Italy. As we have said again and again, the downfall of the temporal power is a positive gain to the Catholic Church, and, indeed, to the whole Christian world. It will be a mistake if the Pope leaves Rome. If he remains in Rome he must accept the situation.

### Congress at Work Again.

Yesterday, under fair auspices—for the weather was bland and beautiful as in September—and with a full attendance of members, the third or short session of the Forty-first Congress of the United States was opened. Both Houses were called to order precisely at noon, in the presence of unusual throngs of spectators, and with an evidence of interest on the part of both members and public that augured well for the work to be done. That this work is not likely to be idly deferred Mr. Sumner distinctly indicated in the Senate by introducing a financial bill to promote and facilitate a return to specie payments by gradual and natural processes, consistent with the exigencies of the government and the business of the country. The bill itself we shall have a better opportunity of discussing after the organization of the standing committees, to which it will in due course be referred. But we are glad to see that the subject before the country which is the most prominent, important and pressing, is thus ensured the earliest consideration. The repeal of the income tax after the 1st of January next was also put at once into the foreground by the bills of Messrs. Cole and Casserly, of California, who, representing both parties, as they do, are agreed upon the necessity of removing a burthen which cripples the enterprise of their young commonwealth notwithstanding all its vigor and resources. A few bills of less import, but all looking like earnest business, completed the day's work for the upper chamber.

The House of Representatives, also, had a genial and pleasant meeting, and, after hearing the President's Message read, referring the report of the Secretary of the Treasury and passing a bill—the first, therefore, of the session—to supply an omission in the latest Indian Appropriation bill, adjourned at three P. M.

Thus the new session is fairly launched, without any sign of collision or unpleasantness in any direction, and we sincerely trust that the good humor of its first day may continue to its last. The amount of business accumulated and craving performance is heavy, but with a full Congress, few, if any, of those whose seats are now vacant, and the earnest good intent that should now animate all parties and the representatives of all sections, the task is easy enough for patriotism and statesmanship. The contrast afforded by the condition of our great country and that of distracted Europe should impress itself upon our legislators and nerve them to the labor that still remains to be done ere we can consider our prosperity consolidated and our future secure. The nation begins to feel fresh life in all its veins; its monstrous losses by civil war are being rapidly made good; its wounds are healing; its numbers and wealth increasing with fabulous rapidity, while, as the Message of our Chief Magistrate reminds us, a bounteous Providence has ever blessed us, "our basket and our store." A moral duty of the highest order devolves upon us, then, not only to profit by these advantages ourselves but to set the example of their proper usufruct to other nations. There should be intelligence enough in the American Congress to comprehend its high mission, and we await its performance at this critical and eventful time with earnest confidence.

THE MASSING OF THE FRENCH AT CRETEIL, a small town covered by the guns of Fort Charenton, indicates that Trochu intends to make the next sortie from Paris a direct attack upon the Fontainebleau road. Creteil, like Champigny, is on the left bank of the Marne, but on the opposite side of the peninsula formed by the deep curve of the river. General Vinoy is said to have actually placed the German lines at Choisy-le-Roi, near this point, but he was compelled to retire because of the inability of Dacrot to advance beyond Champigny. It is, therefore, probable that the recent sorties have discovered the weakness of the Prussian investing line here, and as it is on the direct road for the objective point of the Paris garrison we are likely to hear of a fierce struggle between the Seine and Marne rivers.

WILL IT END IN SMOKE?—It will be interesting to traders and consumers to learn that the National Tobacco Association of the United States will meet in Richmond to-day (Tuesday). It is announced that the affair will end in a splendid ball, given by the Richmond tobacco merchants. Others think that it will very naturally wind up in "smoke."

WE HAVE A REPORT FROM LYONS of a decided victory gained by the forces of Garibaldi over General Von Werder's troops. The scene of the engagement is located near Autun, a village in the department of Saône-et-Loire. It is a remarkable fact that every last victory gained by the Garibaldians is some miles nearer to Lyons than the preceding one. Perhaps this arises from Garibaldi's "drawing the enemy on," but it seems to us more like the case of the man who kept his antagonist down by inserting his nose between his teeth.

DOES THIS MEAN REVOLUTION?—The Albany Journal, republican organ, urges the republicans elected to the next Legislature to attempt to obstruct the organization of the House by filibustering and other means. Does this mean revolution? Time will show.

THE NEW COURT HOUSE has certainly served its purpose. It has made nearly every political contractor in the city fat, and might very well be finished, like a dried orange that has no more juice in it. But it seems the Commissioners have discovered claims enough outstanding against the old Board of Supervisors to swallow up six hundred thousand dollars more.

A SHORMAKERS' STRIKE is imminent in this city, and the heathen Chinese may be down upon us, nixtail and all, at any moment.

### The Report of the Secretary of the Treasury.

The Secretary of the Treasury is in a very happy condition as regards his department of the government. He reports the receipt for the fiscal year ending last June to be \$411,225,477 and the expenditures \$309,653,560, leaving a surplus for the reduction of the public debt of \$101,601,966. But as the income for the first quarter of the present fiscal year, ending last September, was \$115,101,230, it is evident that the revenue continues to augment with the increase of population, wealth and business, and that although there may be special reasons for the income of that quarter being greater than in any other quarter, we may expect the revenue of the present fiscal year would not, under existing revenue laws, fall much short of that of last year. We say this in the face of Mr. Boutwell's low estimate, which anticipates the income to be only \$320,418,000. For example, the income from customs for the first quarter of the present fiscal year was \$57,729,478, and yet he estimates it at only \$128,000,000 for the remaining three quarters. Now it is well known that the heaviest importations are in the spring and summer, and, consequently, the revenue from that source is larger. The income from customs the last fiscal year was \$194,538,374. There is no reason to suppose it will be less the present year, and it will probably exceed two hundred millions. Mr. Boutwell always under-estimates, and with a view seemingly to keep up an enormous surplus revenue, in order that he may get the credit of paying off the debt rapidly. The changes that have been made in internal taxes may reduce the gross income to some extent, but we doubt if, with the present laws, it would be much less than last year.

It is not necessary to pay off the debt at the rate of a hundred millions a year, or even at the rate of forty or fifty millions. It is an injustice to the present generation, which has borne the burden of the war and has paid so much of the debt already. What we want now is a reduction of taxation to the lowest possible point that an economical administration and a sinking fund of twenty millions or so will admit. The estimated receipts for the present fiscal year are over three hundred and twenty millions, and they will amount doubtless to near four hundred millions. They should be brought down to less than three hundred millions, and then there ought to be a large surplus for the payment of the debt. We believe a hundred millions or so of taxes could be taken off and still an ample income be left for the government. Mr. Boutwell does not want the taxes reduced. He tells Congress so. Like a miser, he wishes to have his coffers full, that he may gloat upon the cash and say to the world, "See how prudent I have been!" He argues, too, that the plottish condition of the Treasury will inspire confidence and enable him to raise loans abroad for funding the debt. This is fallacious reasoning. Every sagacious capitalist knows already the ability of the United States to pay both the interest and principal of the debt, and his confidence will not be increased in the least by seeing unnecessary burdens imposed upon the people. The President, in his Message, has expressed the right view where he says there should be "a reduction of taxes as rapidly as the requirements of the country will admit, reductions of taxation and tariff to be so arranged as to afford the greatest relief to the greatest number."

As for the other matters and details of the department in the Secretary's report they are subordinate and of less consequence, and they are, on the whole, unobjectionable. His remarks about the new Post Office building for New York are judicious, and we hope Congress will make the necessary appropriation required immediately. On the whole the exhibit of the Secretary of the Treasury shows the country to be in a condition that none other in the world is, and that unnecessary as is the amount of taxes raised the people are able and willing to pay them when demanded by the government. Such is the patriotism and conservative character of the nation and the result of our glorious institutions.

THE ERIE RAILROAD has another war on its hands in Jersey. This time the Hoboken people are trying to compel it to take up its rails in the swamp lands back of that ambitious village, and, of course, Erie resists.

DIFFICULTY BETWEEN BRAZIL AND PERU.—The letter which we publish this morning from our correspondent in Rio Janeiro suggests the possibility of war between the Brazilian empire and the republic of Peru. A rumor prevailed in the capital shortly before the departure of the mail steamer that the Brazilian gunboat Magé had been seized on the Amazon by the Peruvians. To such an extent did this report spread that the press took it up and called upon the government to say what truth there was in the statement. An ominous silence was the only answer. Since the report, however, active movements have been going on in the naval depots of the empire, and six iron-clads are being rapidly fitted out, but for what purpose is not publicly known. The next mail will bring us further particulars of the affair, and from that we may be able to form some opinion as to the chances of Brazil getting into a quarrel with another of her republican neighbors.

SENATOR CAMERON'S VISIT TO GEORGIA has created no little rattling among the pro-rebellion dry-bones in that State. But, finding that his object was by no means altogether political, the still unreconstructed class began to awaken to a lively sense of the effect his visit may have upon the pecuniary interests of the people of the State. "Money makes the mare go."

WALL STREET AND THE ANNUAL REPORTS TO CONGRESS.—A number of highly-colored, sensational rumors have been afloat in Wall street for a week past as to the policy which General Grant and Secretary Boutwell would recommend in the matter of securing a return to specie payments. It turns out, however, that this delicate question has been left to solve itself, as it should be, and that the President and his Finance Secretary are in no haste to join the army of quack doctors who would prescribe violent remedies to stimulate the convalescence of the national finances. If gold has already fallen to 110—as against 160 when the war stopped—is it not evident